

**CITY OF SAGINAW
CITY COUNCIL MEETING
AND PUBLIC HEARING
HELD AT THE SAGINAW CITY HALL
333 W. MCLEROY BLVD.
SEPTEMBER 3, 2019**

Present at the meeting:

Mayor	Todd Flippo
Mayor Pro-Tem	Valerie Tankersley
Councilmember	Charles Beasley
Councilmember	Patrick Farr
Councilmember	Charles Tucker
Councilmember	Cindy Bighorse
Councilmember	Mary Copeland
City Attorney	Bradley Anderle
City Engineer	Andrew Simonsen, P.E.
City Manager	Gabe Reaume
Asst. City Manager	Dolph Johnson
Finance Director	Kim Quin
City Secretary	Janice England
Police Chief	Lee Howell
Fire Chief	Doug Spears
Director of Public Works	Rick Trice, P.E.
Director of Comm. Services	Keith Rinehart
Director of Human Resources	Melanie McManus
Director of Economic Dev.	Alora Wachholz
Library Director	Ellen Ritchie
Police Officer	

Absent from the meeting:

None

Visitors at the meeting:

Rick McNealy	Kathryn Johnson
Miranda Tindle	Vance Tindle
David Frich	Barbara Beerling
Tabitha O'Connor	Mary Ragle
William C. Kelley	Kelly Stewart
Larry Scheid	Brack St. Clair
Kelly McDowell	Jan Young
Dale Reed	

(1) Call to Order

Mayor Flippo called the meeting to order at 6:00 p.m. with a quorum present.

Pledge of Allegiance to the United States

Pledge of Allegiance to the State of Texas

(2) Invocation

In the absence of Dr. Danny Howe, Councilmember Tucker gave the invocation.

(3) Audience Participation

This item was covered on the video screen.

(4) Consent Agenda

a. Action regarding Minutes, August 20, 2019

b. Action regarding Resolution No. 2019-16, Revised Investment Policy

Summary: Chapter 2256 of the Government Code, also known as "The Public Funds Investment Act" requires the City to have a written investment policy that must be reviewed by the governing body. The City's Investment Policy was last revised in October 2017. The proposed Investment Policy has been reviewed by the Investment Committee which is comprised of the Mayor, the City Manager, the Assistant City Manager, and the Finance Director. The Committee has determined that the only revisions necessary are changes that refer to the position Assistant City Manager/Finance Director. That position no longer exists and the investment duties have been assigned to the Finance Director. The Investment Committee recommends approval of Resolution No. 2019-16, the revised investment policy.

c. Action regarding Ordinance No. 2019-14, Settlement Agreement between ACSC and Atmos Energy

Summary: Saginaw, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, is a member of the Atmos Cities Steering Committee (ACSC). The ACSC's Executive Committee and attorneys have negotiated a reduced settlement with Atmos regarding Atmos' state filing for a rate increase. The new gas rates will be effective October 1, 2019. Ordinance No. 2019-14 addresses the settlement agreement.

d. Action regarding Purchase of Two Chevrolet 1500 Pickup Trucks for the Parks and Drainage Departments

Summary: The 2018-2019 Parks and Drainage Department budgets included funds in the amount of \$20,000 each for the purchase of a new service truck. Both vehicles will be 2019 Chevrolet 1500 Pickup trucks. The trucks were competitively bid and James Wood Motors submitted the low bid for the two vehicles in the amount of \$45,436.20. The total financial impact will be \$45,436.20. Funds in the amount of \$20,000 are budgeted for replacement of the Parks Department Truck (Parks Department, Account 01-7000-07, Capital Outlay/Special Request). Funds in the amount of \$20,000 are budgeted for replacement of the Drainage Department truck (Drainage Utility Fund, Account 14-7000-00, Capital Outlay/Special Request). The remaining \$5,436.20 will come from Fund Balance.

Motion was made by Councilmember Farr with a second by Mayor Pro-Tem Tankersley to approve the consent agenda as presented. Motion carried unanimously. 7-0-0-0

For: Mayor Flippo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Farr, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: None

(5) PUBLIC HEARING – Proposed 2019 Property Tax Rate for Fiscal Year 2019-2020

Mayor Flippo declared the public hearing opened at 6:02 p.m. City Manager Reaume explained that this is the first of two public hearings required by law on the proposed 2019 tax rate. He stated that the proposed 2019 tax rate is 0.45900. The proposed tax rate is above the effective tax rate of 0.430869 which by State Law requires specific Truth-in-Taxation procedures that must be followed including tonight's public hearing.

Councilmember Copeland asked the Council to consider setting the 2019 tax rate at the rollback rate which is 0.469175. She explained her concerns about approving the proposed tax rate of 0.45900 and increasing Animal Services fees and Recreation and Community Center fees as proposed.

Councilmember Farr expressed his appreciation to the staff for their efforts in responding to the Council's requests in regards to the proposed budget and tax rate. He explained that he does not agree with adopting the rollback tax rate. He stated that raising user fees will affect only those residents and non-residents that use the services and/or facilities. He added that the Council owes it to their constituents to demonstrate that they are making the best decisions they can each year during the budget process.

Mayor Flippo called for public input. Jan Young addressed the Council. She explained that she has lived in Saginaw since 1984 and has witnessed the City's growth through the years. She expressed her appreciation for the Council and staff working together. She added, however, that she would prefer the higher rollback tax rate rather than increasing user fees.

Larry Scheid addressed the Council. He expressed his concern about the increased property values and the EMS-ISD taxes. City Manager Reaume explained that the City has no control over the school property taxes. Mr. Scheid asked if revenue from the Crime Control and Prevention District (CCPD) sales tax could be used for items such as the need repairs to the Police Department roof. City Manager Reaume explained that the CCPD sales tax is a dedicated sales tax to be used for police officers and equipment.

Kathryn Johnson addressed the Council. She stated that she has lived in Saginaw for six months. She expressed her concern over the high property taxes. She added that any increase in the tax rate would not be good. City Manager Reaume explained the various taxing entities that bill property taxes. He stated that the City only has control over the City's tax rate. Property values are set by the Tarrant Appraisal District. Ms. Johnson stated that she would prefer an increase in user fees instead of an increase in the tax rate. She expressed her appreciation to the Council for their efforts.

Mayor Flippo declared the public hearing closed at 6:28 p.m.

Mayor Flippo announced that the second public hearing on the proposed tax rate increase will be held on September 10, 2019 at 6:00 p.m. at the Saginaw City Hall and that the adoption of the proposed tax rate increase will be considered at the City Council Meeting on September 17, 2019 at 6:00 p.m. at the Saginaw City Hall.

(6) PUBLIC HEARING – Consideration and Action regarding a Request for Approval to Amend the 2016 Comprehensive Plan from Office Professional (OP) to Neighborhood Commercial (NC) and to Change the Zoning from Office Professional (OP) to Neighborhood Commercial (NC) on approximately 5.93 acres of Land out of a Portion of Tract 4, Abstract 1849, A.F. Albright Survey located at the Northeast Corner of N. Knowles Dr. and W. McLeroy Blvd. (Ordinance No. 2019-15)

Mayor Flippo declared the public hearing for this item opened at 6:28 p.m. Director of Public Works Trice explained that this item is to take action on the zoning request that was tabled at the July 23, 2019 City Council Meeting. The item was tabled in order to consider the zoning and the Specific Use Permit for the property (Item No. 7 on tonight's agenda) at the same meeting. He explained that the zoning request is for approval of a change in the zoning from Office Professional (OP) to Neighborhood Commercial (NC) on approximately 5.93 acres of land located at the northeast corner of N. Knowles Drive and W. McLeroy Blvd. He added that the Planning and Zoning Commission considered this request and voted unanimously to recommend approval. He also explained that Item No. 7 is a request for a Specific Use Permit on the same property. He stated that the Planning and Zoning Commission considered this request also and voted unanimously to recommend approval. The Council concurred to consider Item No. 6 and Item No. 7 together. Mayor Flippo declared the public hearing for Item No. 7 opened at 6:30 p.m.

Mr. Rick McNealy addressed the Council. He explained the he represents the developer and builder for the proposed project which is a skilled nursing facility. He stated that the facility will offer short term care as well as long term care depending on the needs of the community. He explained they are totally open to both types of care. However, he added they will not be set up for long term Alzheimer's patient care. He did state that they would be open to consideration of that type of care if the need arises in the future. He explained the proposed facility will be approximately 52,000 sq.ft. with 128 beds and have approximately 100 employees. He stated that "down lighting" will be used on the exterior of the facility and in the back parking areas so that a minimum amount of light is visible to the adjacent neighborhood.

Mayor Flippo called for public input. Mr. William Kelley addressed the Council. He stated that he lives in the neighborhood behind the property. He asked how tall the facility would be. Mr. McNealy explained that the facility will be one story with a roof peak at approximately thirty-three feet. Mr. Kelley asked about the length of construction. Mr. McNealy stated that construction is anticipated to take twelve to thirteen months.

Mr. Larry Scheid addressed the Council. He asked if the proposed facility would have a plan for emergencies. Mr. McNealy explained there are State requirements regarding emergency management plans for the proposed type of facility. He added that the City has very thorough requirements as well.

There being no further public input, Mayor Flippo declared the public hearing for Item No. 6 and Item No. 7 closed at 6:44 p.m.

Motion was made by Mayor Pro-Tem Tankersley with a second by Councilmember Tucker to adopt Ordinance No. 2019-15, approving the request to amend the 2016 Comprehensive Plan from Office Professional (OP) to Neighborhood Commercial (NC) and to change the zoning from Office Professional (OP) to Neighborhood Commercial (NC) on approximately 5.93 acres of land out of a portion of Tract 4, Abstract 1849, A.F. Albright Survey located at the northeast corner of N. Knowles Drive and W. McLeroy Blvd. as recommended by the Planning and Zoning Commission. Motion carried unanimously. 7-0-0-0

For: Mayor Flippo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Farr, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: None

- (7) PUBLIC HEARING – Consideration and Action regarding a Request for Approval of a Specific Use Permit to be allowed to operate a Skilled Nursing Facility (Nursing Home) on Property Located at the Northeast Corner of N. Knowles Dr. and W. McLeroy Blvd., a Portion of Tract 4, Abstract 1849, A.F. Albright Survey (Ordinance No. 2019-16)

This item was discussed and the public hearing held during Item 6.

Motion was made by Mayor Pro-Tem Tankersley with a second by Councilmember Bighorse to adopt Ordinance No. 2019-16, approving the request for a Specific Use Permit to be allowed to operate a Skilled Nursing Facility (Nursing Home) on the property located at the northeast corner of N. Knowles Dr. and W. McLeroy Blvd. as recommended by the Planning and Zoning Commission. Motion carried unanimously. 7-0-0-0

For: Mayor Flipppo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Farr, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: None

Councilmember Farr left the meeting at this point due to a conflict of interest regarding Item No. 8.

- (8) Consideration and Action regarding Approval of Change Order #1 to Willow Creek Park Playground (Willow Creek Station) Contract

Director of Public Works Trice stated that the City Council awarded the contract for the Willow Creek Park Playground (Willow Creek Station) on July 23, 2019. He explained at that time the Council discussed the addition of equipment that would be fully accessible to wheelchair bound children. He stated that Change Order #1 will add Whirl and Aeroglider equipment manufactured by Playworld in the amount of \$70,120. Both pieces of equipment will be fully accessible. City Manager Reaume explained that funds for this expenditure will come from the recently approved Tax Notes.

Motion was made by Mayor Pro-Tem Tankersley with a second by Councilmember Beasley to approve Change Order #1 to Willow Creek Park Playground (Willow Creek Station) Contract as presented. Motion carried unanimously. 6-0-0-1

For: Mayor Flipppo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: Councilmember Farr

Councilmember Farr returned to the meeting.

(9) Consideration and Action regarding Award of Contract for Fairmount 15-inch Sanitary Sewer, Phase 1

Director of Public Works Trice explained that on March 19, 2019 the Council rejected the bids that were received for the Fairmount 15-inch Sanitary Sewer, Phase 1 Project. He explained that the bids received at that time were \$400,000 over the budgeted amount. He explained in March the City was notified by Burlington Northern Santa Fe Railroad (BNSF) that it was planning on expansion of its facilities requiring the City to examine its utility crossings to clear for BNSF's construction. On July 2, 2019 the Council authorized an amendment to Kimley Horn & Associates Individual Project Order to add design work required to abandon an 8-inch waterline and relocate a 12-inch sanitary sewer line that is within the BNSF right-of-way. The Fairmount 15-inch Sanitary Sewer, Phase 1 Project was re-bid with only one bid received. The bid was from Atkins Brothers Equipment Co., Inc. in the amount of \$2,113,145. Director of Public Works Trice stated that the bid is broken into two units. He added that Kimley Horn & Associates has reviewed the bid and recommended that the bid be awarded to Atkins Brothers Equipment Co. Inc. He added that the additional funds over the budgeted amount for this project will come from the fund balance.

Motion was made by Councilmember Farr with a second by Councilmember Bighorse to approved the award of the contract for both units of the Fairmount 15-inch Sanitary Sewer, Phase 1 Project to Atkins Brothers Equipment Co. Inc. in the amount of \$2,113,145 as recommended by staff. Motion carried unanimously. 7-0-0-0

For: Mayor Flipppo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Farr, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: None

(10) Consideration and Action regarding Resolution No. 2019-17 Creating the Citizens' Bond Committee and Appointing Members

Assistant City Manager Johnson stated that Resolution No. 2019-17 creates the Citizens' Bond Committee and appoints members as nominated by the City Council. The committee will meet during the next few months to review the Financial Plan and the Capital Improvements Plan. Then they will make a recommendation to the Council on which facility and infrastructure projects should be presented to voters for a possible bond election to be held in May of 2020.

City Manager Reaume read a statement from Lewis McLain regarding the City's financial standing and the amount of debt the City could afford. Mr. McLain was unable to be present tonight due to health reasons. A lengthy discussion followed regarding potential projects for the committee to consider and the dollar amount to be considered for a bond election.

Motion was made by Mayor Pro-Tem Tankersley with a second by Councilmember Tucker to approve Resolution No. 2019-17 appointing the following to the Citizens' Bond Committee: Gregory Gerami, Pat Shelton, Jane North Lyon, Rick Russell, Chuck Inmon, Brack St. Clair, Tim Miller, Siobhan Lilley, Travis Albritton, Stephen Watson, Don Cromwell, David Jones, and Monica Dixon. Motion carried unanimously. 7-0-0-0

For: Mayor Flipppo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Farr, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: None

(11) Executive Session

1 § 551.071. Consultation with Attorney. The City Council may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the City Council seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the following items:

a. Any Posted Item

1 § 551.087. Deliberation regarding Economic Development Negotiations. The City Council may convene In executive session to discuss or deliberate regarding commercial or financial information that the City has Received from a business prospect that the City seeks to have locate, stay, or expand in or near the City and With which the City is conducting economic development negotiations; or to deliberate the offer of a Financial or other incentive to a business prospect described above, including:

a. Building Improvement Grant Applications—116 N. Saginaw Blvd. and 128 N. Saginaw Blvd.

Mayor Flippo declared the meeting recessed into Executive Session at 7:17 p.m.

Mayor Flippo declared the meeting back in Regular Session at 7:28 p.m.

(12) Adjournment

Motion was made by Councilmember Farr with a second by Councilmember Tucker to adjourn the meeting. Motion carried unanimously. 7-0-0-0

For: Mayor Flippo, Mayor Pro-Tem Tankersley, Councilmembers Beasley, Farr, Tucker, Bighorse, and Copeland

Against: None

Abstain: None

Absent: None

Mayor Flippo declared the City Council Meeting of September 3, 2019 adjourned at 7:28 p.m.

ATTEST:

APPROVED:

City Secretary Janice England

Mayor Todd Flippo